RV BUSINESS

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Perfecting The Midas Touch

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RV BUSINESS

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ON THE COVER: Service with a smile is old hat. In today's game it takes good, dependable, efficient—and extended—service to enhance the bottom line. The addition of new tools—from computerized mechanics to videos—changes the gameplan. Find out how in our special section beginning on page 28. Photo: Dale Berman. Circuit board courtesy of Sandy's Electronics.

Perspective

An analysis of RVB's monthly survey of its Dealer Advisory Board Members

GAYLORD MAXWELL

	NEW						USED					
	FOR MONTH			YEAR-TO-DATE			FOR MONTH			YEAR-TO-DATE		
	MARCH 1986	MARCH 1985	% CHANGE	1986	1985	% CHANGE	MARCH 1986	MARCH 1985	% CHANGE	1986	1985	% CHANGE
MOTORHOMES	95	143	−34	239	325	−26	91	95	− 4	268	273	− 2
TRAVEL TRAILERS	128	123	+ 4	274	230	+19	85	107	−21	190	204	− 7
TRUCK CAMPERS	14	15	− 7	41	35	+17	14	18	−22	26	30	−13
CAMPING TRAILERS	173	176	− 2	398	350	+14	42	54	−22	74	80	− 8
FIFTH-WHEELS	28	40	−30	76	79	− 4	5	15	−67	18	25	−28

	FOR MONTH			YEAR-TO-DATE		
	1986	1985	% CHANGE	1986	1985	% CHANGE
SALES VOLUME	$9,125,754	$10,967,417	−17	$22,714,719	$24,600,261	−8
TOTAL UNIT SALES	675	786	−14	1604	1631	−2
NEW UNIT SALES	438	497	−12	1028	1019	+1
USED UNIT SALES	237	289	−18	576	612	−6

March was not a particularly good month for RV dealers according to RVB's Dealer Advisory Board (DAB). It was by no means a disaster, but reports from the 23 members of the board indicate that, in terms of dollars taken in and units delivered, the showing was poor compared with the previous March.

Of the 28 categories in this report, 23 were down for the month. Only travel trailers are in the plus column in new-unit sales. All used categories are down, as are totals for dollars taken in and new and used units delivered.

Year-to-date, the picture is only a little better. Three categories of new units are still ahead of the first quarter of last year; however, all used categories are down. Sales volume for the year is down along with total unit sales. Only new units still maintain a very slight lead over the previous year.

Is the RV market falling apart? Hardly. As a matter of fact, 11 DAB members (almost half) were actually up in sales volume in March and the same number are up for the year-to-date. What hurts the average are significant sales decreases by three very large DAB dealers.

The majority of the DAB members rated gross profits fair to good. A couple of dealers rated them excellent and two rated them poor. Profits aren't super, but neither are they awfully bad.

Service and accessory ratings ranged from fair to excellent, with a leaning toward the high end. Used units brought only fair to good prices.

In spite of the somewhat negative aspect of conditions at this point, there is no cause for panic. The 1986 chapter has yet to be completed. A number of changing market factors at this time—nearly all good—suggest that it would be reasonable to expect an upswing in the second quarter, which could continue right through the year.

MOTORHOMES

Four large dealers, two of whom are in areas with severe economic problems, accounted for most of the drop. Eight other dealers, however, were also in the minus column. The existence of too many dealers and of high prices are the most common explanations for falling sales. Profits were fair to good.

TRAVEL TRAILERS

With this lone category in the plus column in March and the one with the greatest increase for the year-to-date, it would appear that the big towables might be experiencing some come-back.

Seven of the 20 DAB members who stock travel trailers are down from the previous year-to-date and four are the same for the two first quarters. That means that actually only nine are up. Still, it's better than any other category overall, and that's something. Profits were generally rated good.

TRUCK CAMPERS

The drop of only one new unit in truck campers shows that this category is holding its own. Profits were rated excellent.

FOLDING TRAILERS

The decrease in new-unit sales for the month was slight; year-to-date, it is still a plus category. The main season for this type is yet to come, but things look pretty good right now. There is nothing to indicate that it will be a banner year for fold-downs, but dealers who give them a good shot should do reasonably well. In terms of profit, it's a mixed bag.

FIFTH-WHEELS

The drop in new-unit sales for the month was considerable. Year-to-date, the figure isn't nearly as dramatic. Most dealers of this type are running fairly close to last year. Although the percentage drop for the month is large, the number of actual units represented is not great; ditto for the year-to-date. Profits on fivers were fair to good. Δ

Perspective is a compilation of data provided by RVB's Dealer Advisory Board (DAB), a group comprised of 23 dealers representing a cross-section of the U.S. dealer body. This report is an attempt to reflect the current retail sales picture; it does not purport to indicate RV production or factory sales to dealers.

RVIA, MARCH

The marketing committee of the Recreation Vehicle Industry Association has announced that the total number of recreational vehicles shipped from manufacturers' plants during March 1986 was 35,200 units, up 2.3% from March 1985.

The shipment figures released by the association are contained in a report compiled for the membership by RVIA's marketing committee under the chairmanship of Allen Yoder Jr. of Jayco Incorporated, Middlebury, Indiana.

RV shipments were as follows in Mar. 1986	Mar. 1985	Percent Change	Cumulative 1986	Cumulative 1985	Percent Change
TRAVEL TRAILERS	5,700	6,400	– 10.9%	15,000	14,900	+ 0.7%
PARK MODELS	600	600	0%	1,900	1,600	+ 18.8%
FIFTH-WHEELS	2,100	2,000	+ 5.0%	5,900	5,000	+ 18.0%
TRUCK CAMPERS	700	700	0%	1,600	1,600	0%
MULTI-USE VEHICLES	17,000	13,600	+ 25.0%	48,400	41,800	+ 15.8%
TYPE A: MOTOR-HOMES	2,700	3,000	– 10.0%	8,100	9,700	– 16.5%
TYPE B: VAN CAMPERS	300	700	– 57.1%	1,300	1,500	– 13.3%
TYPE C: MINI MOTOR-HOMES	2,200	2,800	– 21.4%	6,200	8,000	– 22.5%
FOLDING CAMPING TRAILERS	3,900	4,600	– 15.2%	9,900	10,500	– 5.7%
TOTALS	35,200	34,400	+ 2.3%	98,300	94,600	+ 3.9%

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